



WAIS Inc.

Power

Publishing

Wide Area Information Servers Inc.
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Management Team

- ◆ **Brewster Kahle: CEO**
WAIS Founder
Wide Area Information Server Project Leader—Thinking Machines, KPMG, Apple, Dow Jones
Founding Engineer—Thinking Machines
- ◆ **Bill Dunn: Director**
Senior VP America Online
Former President, Dow Jones Information Services
Wide Area Information Server Project
Multimedia Publishing, Emerging Technologies
- ◆ **Bruce Gilliat: Vice President Sales & Mktg**
VP Sales—Fibronics International
National Account Manager—AT&T Information Systems
Technical Consultant—Pacific Telephone
- ◆ **John Duhing: Vice President Business Development**
On-line services consultant: Apple Computer, Dow Jones and others
General Manager—SuperMac Software
Publishing Evangelist—Apple Computer
Acquisition Editor—Prentice Hall
- ◆ **Nick Schaf: Vice President, CFO**
Software Technology CFO and Business Consultant
CFO—VisiCorp, CopyMat
Controller—Tandem Computers
Arthur Andersen & Co



Management Team (cont.)

- ◆ **Jean Christofferson, Director of Computer Operations**
Ensemble Founder
Venture Solutions Founder—CICS, SNA network solutions for Hambrecht and Quist, Visa, Pacific Coast Stock Exchange
Status Systems & Others—world-wide CICS networks
- ◆ **Keira Bromberg, Development Manager (acting)**
Product Manager—WAIS-GMP Internet Publishing Project
New Products Manager, Production Planner, Marketing Specialist, Software Development Manager—Thinking Machines
- ◆ **Meikle Synne Hall, Production Services Manager**
Vice President of Production—Varied Directions International
Production Coordinator—Bell One Productions
Production Coordinator—Four Corners Productions



Mission

To be the leader in delivering published content on the Internet using WALS, Inc. software products and production services



Publishing in Transition

- ◆ More publications
- ◆ Fewer readers per publication (avg.)
- ◆ New players (e.g. CNN, USA Today)
- ◆ New Technologies: CD-ROM, Online

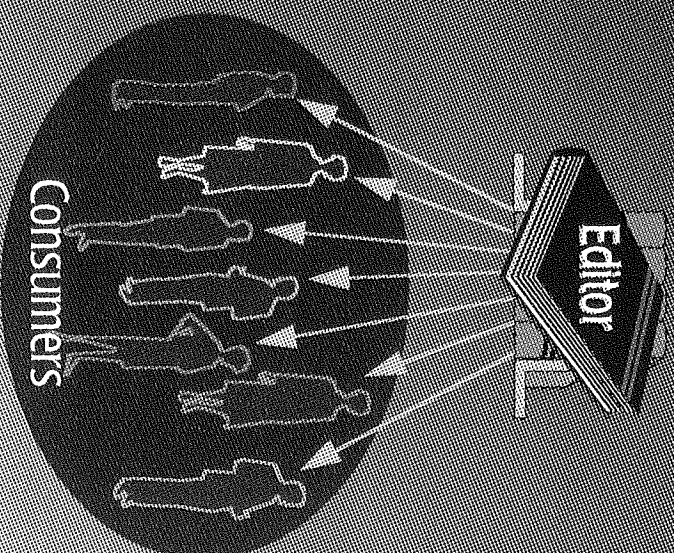
New opportunities in online publishing market



Publishing Evolution

Pre-Electronic: Printed documents

- ◆ Editors push content to classes of customers
- ◆ Editors set schedules
- ◆ Same content for all
- ◆ Limited research capability





Publishing Evolution (cont.)

Early-Electronic—Consumer pull

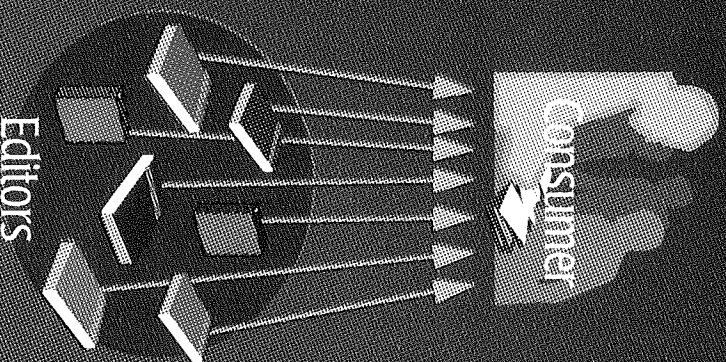
- ◆ On consumer's schedule
- ◆ Navigation by the consumer

Mainframe Technology:

Consumer AOL; Research Dialog

Internet Technology:

Web Browsing; Web Billboards





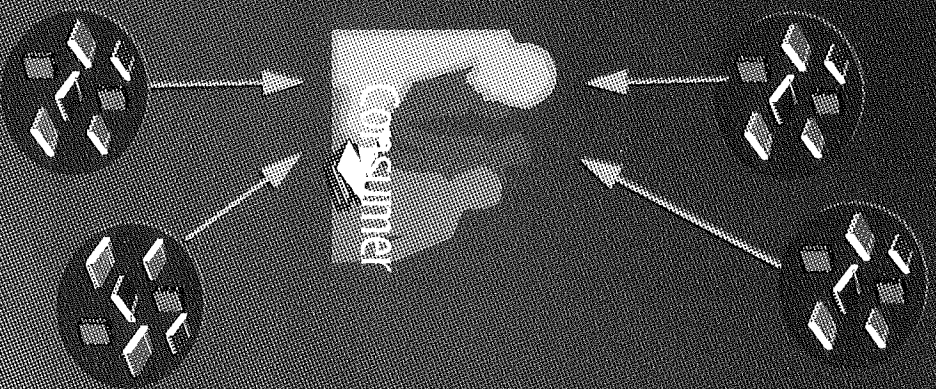
Publishing Evolution (cont.)

Maturing Electronic Publishing: Information Aggregation

- ◆ Access to multiple sources
- ◆ Browsing AND research
- ◆ Publishers look-and-feel

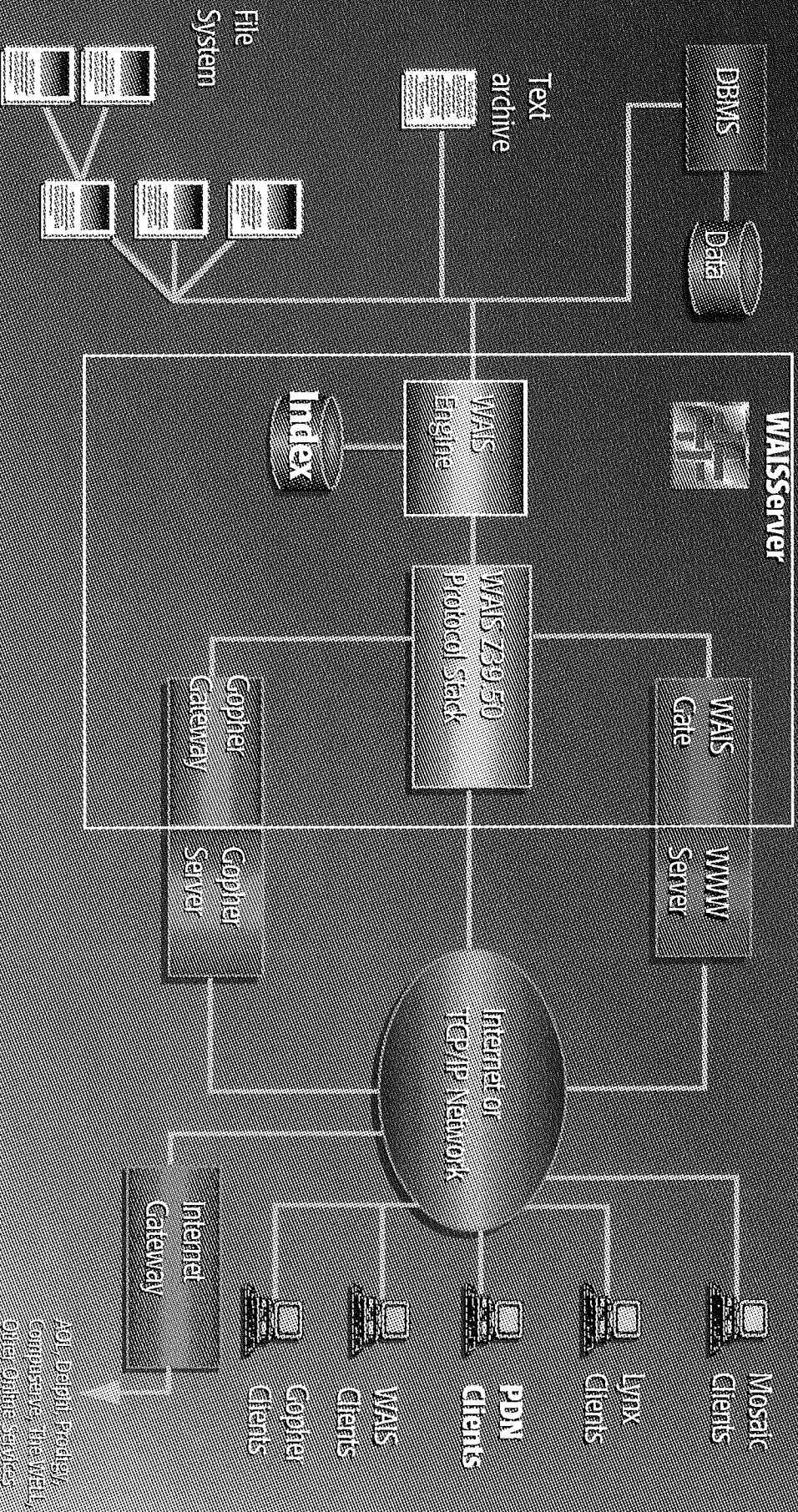
Web Services: Engine behind the Interface

Agents deliver content in users context





Product





Production Services

Complete Solutions

- Billing
- Registration
- Content Alerting
- Online advertising
- Letters to the editor
- Chat with columnist
- Audio and video clips
- Intelligent client/agent
- Frequently asked questions
- Time sensitive content expiration

Integrated Elements

Customer Data

WAIServer

WWW Server

Client



Getting to Market

Products

- ◆ Telesales
- ◆ VARS - Fujitsu, Spy, KPMG, Netscape, EDS, DEC
- ◆ OEM - Intel, Fulcrum, ConQuest
- ◆ Federal - Product 8 integration: GILS, Z39.50
- ◆ Proliferate WAIS, Inc. name brand through ubiquity

Production Services

- ◆ Publishers
- ◆ Fortune 500 publishing partners - name brand awareness
- ◆ The "modules" make the difference
- ◆ Revenue Sharing



Getting to Market (cont.)

Packaged WAIS, Inc. Content Products

- ◆ Agent-based products promote client loyalty
- ◆ Agent can provide incentive for content providers to partner
 - Encyclopaedia Britannica
 - National Geographic
 - Discovery Communications
- ◆ Potential for WAIS, Inc. "cross-provider" agreement to promote theatres of interest
- ◆ Concept is "*Content in the Consumer's Context*"



Customers

Boeing Computer Service
Cambridge Scientific Abstracts
Chicago Tribune
CMP Publications
Colgate-Palmolive
ConQuest Software
Curtin University of Technology
Defense Technical Information Center
Delphi Internet Services Corporation
Department of Energy
Dow Jones & Company
Draper Laboratories
EG & G Idaho, Inc.
Eisenhower National Clearinghouse
Encyclopaedia Britannica
Environmental Protection Agency
Fulcrum Technologies
Georgetown University
House of Representatives
Intel Corporation
Internet Shopping Network

KPMG
Lawrence Livermore National Labs
Library of Congress
Loral Federal Systems
Los Alamos National Laboratory
Martin Marietta
Michels Corporation
Mitre Corporation
Moscow State University/RED Lab
NASA - Goddard Space Center
NASA - Johnson Space Center
NASA - Lintidium
National Archives of the United States
National Center for Manufacturing Sciences
National Science Foundation
National Technical Information Service
New York Law Publishing Company
New York Times
Nippon Telephone & Telegraph (NTT)
Novell, Inc.
Pacific Bell
Perot Systems

Reuters New Media
Rice University
San Francisco News Agency
Sandia National Lab
Science Applications International Corp
Science University of Tokyo
Sports Network
Stanford University
Sun Microsystems
The Analytic Science Corporation
U.S. Air Force
U.S. Army
U.S. Dept of Navy
U.S. Geological Survey (USGS)
U.S. Government Printing Office
U.S. Navy
U.S. Senate
University College of London
University of Tennessee
West Publishing Corporation
World Bank



Current Competition

Product: Search Engines

- ◆ Stand-alone: Excilibur
- ◆ Web Enabled: Verity, PLS
- ◆ Z39.50 Enabled: BRS/Dataware, Architext
- ◆ "WAIS Enabled": Fulcrum, ConQuest

Production Services:

- ◆ HTML Shops: Home Page Service
- ◆ Large Integrators: EDS, IBM, Andersen



Competition/Partners

Integrators

EDS
IBM
Andersen
KPMG

Providers

AOL
CompuServe
Prodigy
MS Marvel

Software

Excaltbur
Verity
PLS
BRS/Dataware Dialog

Publishers

Time Warner
Dow Jones
Mead Data
Architext
Fulcrum
ConQuest
Netscape
PED
Individual



Status

◆ Revenue

- FY 93 \$.4M 1st Server installations
- FY 94 \$1M 2/3 Server Sales 1/3 Prod Svcs
- FY 95 \$3.6M 1/2 Server Sales 1/2 Prod Svcs
- FY 96 \$12M Add royalties, maint., packaged content

◆ FY 95 Revenue

- First Half \$1.6M
- Backlog + \$1M

◆ FY 95 Products

- Server Release 2
- Adding Publishing Components
- Integrating Agent with Interactive Alerting



Status (cont.)

◆ Services running at WAIS, Inc.

- CMP Publications
- Dow Jones & Co
- Intel Component Technical Documents
- Scholastic Network

◆ Current Priorities

- Technical Hiring
- Marketing
- Partnering & Management Team

◆ Headcount (includes contractors in full time slots)

	Current	By June 30:
• Marketing & Sales	8	10
• Production Services	5	8
• Washington Office	2	4
• Development	6	12
• Operations	2	4
• Administration	<u>5</u>	<u>6</u>
	22	44



Financial Forecast

(millions)

	FY 95	FY 96	FY 97	FY 98	FY 99
Revenue	\$3.6	\$12	\$25	\$40	\$60
Pretax Income	\$0.6	\$2.4	\$5.0	\$8	\$12



Financing Needs

Operating Capital	\$1,000,000
Expand Development	\$1,000,000
Product Acquisition/Expansion	\$2,000,000



Risks

- ◆ Execution
 - Evolve technology quickly enough—quality & breadth of solution
 - Management Team
 - Getting to Market—positioning product/partnering
- ◆ Market Evolution
 - Dominant closed system emerges—Marvel?
 - Internet collapses
 - Internet does not evolve security, commercial use, subscriber base, marketable content
- ◆ Competition
 - Systems Integrators: EDS, Andersen, KPMG
 - Information Providers: Time Warner, Dow Jones
 - Software Developers: Netscape, Verity, Fulcrum
- ◆ Financial—Funding



Unfair Advantages

- ◆ Customer partnerships in key markets
- ◆ Position in standards setting
- ◆ Ubiquity based on early entry